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THE RICHARD J MURPHY YOUTUBE CHANNEL

DEBATE AMMUNITION

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TODAY'S TOPIC

Inheritance tax, London wealth, and the FT's wrong conclusion

THE CORE ARGUMENT

The FT is wrong to claim that inheritance tax data shows the Treasury depends on wealthy Londoners. What the data really shows is that UK economic policy has created grotesque regional inequality, and inheritance tax is far too weak to challenge dynastic wealth.

KEY STATISTICS

Statistic	Figure	Source
London constituencies paying more inheritance tax than Scotland and Wales combined	5	FT data cited in video
London constituencies paying more inheritance tax than the north of England over five years	10	FT data cited in video
Projected inheritance tax receipts by 2029	£12.6 billion	OBR cited in video
Approximate total UK financial wealth	At least £12 trillion	ONS cited in video

THE ARGUMENT STRUCTURE

Step 1 — The FT framed the story backwards: The FT treated wealthy Londoners as if they fund the state. That is the household analogy dressed up as fiscal analysis.

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Step 2 — Tax does not fund spending: A currency-issuing government creates money when it spends. Tax withdraws spending power, controls inflation, gives value to the currency, corrects market failures, shapes policy, redistributes wealth, and builds democratic accountability.

Step 3 — Inheritance tax is about redistribution: Inheritance tax should stop dynastic wealth compounding across generations. The data shows it is failing because wealth remains massively concentrated in a handful of London postcodes.

Step 4 — The real issue is regional policy failure: Scotland, Wales, the north and the Midlands are not poor because they lack talent. They are asset-poor because successive governments concentrated housing wealth, finance, infrastructure and investment in London and the southeast.

THEIR ARGUMENT → YOUR REBUTTAL

They Say	Your Response
The Treasury depends on wealthy Londoners, so ministers must not upset them.	No, the UK government issues its own currency. The state is not hostage to wealthy postcodes.
High inheritance tax will drive rich people and investors away.	That threat is wheeled out every time wealth is challenged. It is lobbying, not evidence.
London pays more because it is more productive.	This is not just productivity. It is decades of policy bias towards London housing, finance and infrastructure.
Inheritance tax already raises serious money.	It collects roughly one-thousandth of UK financial wealth each year. That is not redistribution; it is nibbling at dynastic wealth.

THE ONE-LINER

“Britain does not depend on wealthy Londoners; wealthy Londoners depend on a Britain whose economy has been rigged in their favour.”

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About Richard Murphy

Richard Murphy is a political economist, emeritus professor of accounting practice at Sheffield University Management School, a former professor of international political economy and, for 42 years, a practising chartered accountant. As a tax justice campaigner, he created country-by-country reporting which is now legally required for multinational corporation's tax reporting in more than 70 countries around the world to tackle tax haven abuse. He is one of the UK's most widely read heterodox economics bloggers. He is the author of the Funding the Future blog and runs the Richard J Murphy YouTube channel, which has more than 370,000 subscribers. He co-founded both the Tax Justice Network and the Green New Deal.

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